The Blue Ribbon Citizens Committee on Missouri's Transportation Needs Committee Meeting Minutes – July 23, 2012

The July 23 meeting of the Blue Ribbon Citizens Committee on Missouri's Transportation Needs was held at the Arch United Methodist Church in Hannibal.

The meeting was called to order by Rod Jetton, co-chair of the Blue Ribbon Committee.

Committee members in attendance were:

Bill McKenna, co-chair
Estil Fretwell
Blake Hurst
John Nations
Len Toenjes
Ben Jones
Berian Meisel
Brian Meisel
Ed DeSoignie
Joe DeLong
Mark Stidham

There were 121 persons in attendance. Special guests recognized for their attendance were Rep. Ed Schieffer (D-Troy); Rep. Tom Shively (D-Shelbyville); Rep. Paul Quinn (D-Monroe City); Sen. Brian Munzlinger (R-Williamstown); former Missouri Representatives Rebecca McClanahan, Nate Walker, Steve Hobbs; U.S. Senator Roy Blunt's office, Sarah Graff; U.S. Senator Claire McCaskill's office, Allison Skare; U.S. Congressman Blaine Luetkemeyer's office, Tanner Smith and Grace Nichols member of the Missouri Highways and Transportation Committee.

Mr. Jetton spoke on the importance of the creation of the Blue Ribbon Citizens Committee. Mr. Jetton stated how important the Blue Ribbon Committee is for identifying the needs and potential funding options for Missouri's transportation system. Mr. Jetton thanked the volunteers who serve on the Blue Ribbon Committee and those attending the public hearing.

At the request of co-chair McKenna the committee approved the minutes from the July 9 Blue Ribbon Committee meeting held in Columbia.

Mr. McKenna began the meeting by telling those in attendance that the committee has been listening to previous testimony focused on transportation needs. He encouraged those in attendance to instead direct their testimony on how to pay for the needs.

Roberta Broeker, MoDOT's Chief Financial Officer, testified before the committee that there is not enough money for all the things Missourians want and need.

Ms. Broeker stated that with the passage of the recent federal transportation reauthorization act, Missouri will receive \$70 million less a year. Ms. Broeker said the other problem is that the world is changing. Cars are getting better fuel mileage. In fact, the federal government is imposing stricter Corporate Average Fuel Economy (CAFÉ) standards on new automobiles being manufactured. This is good for the environment, but an unintended consequence for funding transportation infrastructure.

Because of this decline in revenues, over the last two years Congress will have to transfer \$35 billion in general revenues to the highway trust fund and another \$18 billion will be required to be transferred during the two-year program as required in the new federal transportation act.

Currently, 70 percent of what MoDOT receives comes from fuel taxes. The fuel tax hasn't been increased on the state level since 1992 and the federal fuel tax hasn't been increased since 1993. In the meantime, the cost of construction materials continues to increase. Fuel tax revenues have not kept up with the pace of inflation.

Ms. Broeker said this is not a new message. MoDOT has been talking about the decrease in transportation revenues since 2006. "We have not only fallen off the cliff, we are now on the bottom." MoDOT's construction program has gone from \$1.2 billion a year to less than \$700 million a year and dropping.

Ms. Broeker concluded her remarks by stating MoDOT is doing what it can to place more money on the state's roads and bridges by implementing the Bolder Five-Year Direction. This plan will require MoDOT staff to be reduced; the closure of facilities; and the selling of excess equipment. This will save the department about \$512 million over a five year time period.

According to Ms. Broeker, a fuel tax increase doesn't generate enough revenue. A one-cent motor fuel tax increase generates about \$40 million of which MoDOT receives \$30 million (the rest of the monies go to the counties and cities). A one-cent sales tax increase generates about \$700 million.

Paula Gough, District Engineer for the MoDOT Northeastern District, provided an overview of the make-up of the district; specifically, there are 300,000 persons that live in the district with about 10,000 lane miles of roads and 1,000 bridges to maintain.

Ms. Gough testified there are many major needs in the district:

- I-70 widening and interchange improvements
- Champ Clark Bridge in Louisiana
- Hannibal Expressway
- Rt. 47 improvements between Winfield and Washington
- Corridor improvements along Routes 54, 61 and 63
- Bike and walk path accommodations
- Focus on safety improvements

Ms. Gough said there are 188 bridges in poor condition with the need for improvements to the Champ Clark Bridge over the Mississippi River on Rt. 54.

While the major routes are in "good" condition - RIGHT NOW - there is much work needed to be completed on the minor routes.

Safety needs include shoulder improvements, rumble stripes, interchanges and intersection improvements.

Ms. Gough said there are more needs than funding available.

The cost of transportation needs, for the next ten years, in the Northeastern region includes:

Major projects
 Major projects
 Minimizing Pierre (Channe Chale Bridge)

- o Rt. 54 Mississippi River (Champ Clark Bridge)
- Hannibal Expressway
- o Rt. 54Mexico to Louisiana
- o Rt. 63 Corridor (Kirksville to Iowa line)
- o Rt. 47 Upgrades (Winfield to Washington)
- o Rt. 61 Cuivre River Bridges

Bridge needs \$200 million
 Pavement (major and minor routes) \$250 million
 Safety Improvements \$100 million

o Total \$870 million to \$960 million over 10 years

\$320 million to \$410 million

Blue Ribbon Committee member, Len Toenjes, asked Ms. Gough to provide an overview to the committee of the impact the Bolder Five Year Direction had on the Northeast district. Ms. Gough said the toughest challenge was consolidating two district offices into one. This meant reducing staff, reducing fleet and equipment.

Steve Etcher, Boonslick Regional Planning Commission, testified the MoDOT does a great job.

Mr. Etcher said needs in the Boonslick planning area include:

- I-70 expansion
- Rt. 61 improvements by removing crossovers
- A new Washington Missouri River Bridge
- Roadway alignments on minor routes
- Safety improvements
- Expansion of multimodal needs

Mr. Etcher said the "state" of Missouri must make transportation a priority and an educational effort must be applied to educate people on the importance of transportation.

Mr. Etcher stated that he believes there should be a percentage tax applied on the sales of fuel and that a vehicle miles traveled tax be considered for funding transportation. Also, increasing user fees on alternative fueled vehicles (equal to the share of taxes currently paid by traditional fueled vehicles) should be considered. Non-traditional forms of funding such as sales taxes or statewide tolling should also be considered.

Mr. Etcher encouraged the Blue Ribbon Committee to avoid a funding source that will divide the state; don't isolate modes, but instead work together as a network for all modes to integrate.

Any funding source should be approved by the voters of Missouri.

David Cheek, Mark Twain Regional Council of Governments, testified on the need for:

• A Rt. 61 bypass around Hannibal;

- Improvements on Rt. 54 such as shared lanes between Mexico and Louisiana;
- Improvements to the Champ Clark Bridge;
- Resurfacing minor routes; and
- Improving one-lane bridges.

To fund needed improvements, Mr. Cheek suggested an increase in the gasoline tax, registration fees, the implementation of a vehicle miles tax, impose a sales tax on fuel or designating a general sales tax for transportation purposes.

By placing more than one funding source on the ballot for voters to consider could be confusing which could result in the opposition to a revenue package.

Dave Davidson, Northeast Missouri Regional Planning Commission, testified that improvements along Hwy. 61 (Avenue of the Saints) have been a positive economic impact to the region.

Mr. Davidson suggested to the Blue Ribbon Committee they explore funding options which could include:

- Public private partnerships for tolling I-70 across the state border to border;
- Increasing the gasoline and/or diesel tax 1 to 2 cents;
- Increasing the general sales tax by three-fourths to one-cent; and
- Increasing the drivers' license fees.

Mr. Davidson is opposed to a mileage tax because people who live in rural areas of the state would pay more because they have to travel farther to go to work and school.

Tom Boland, former Chairman of the Missouri Highways and Transportation Commission and a transportation advocate, publically thanked MoDOT for all of its improvements in the northeastern part of the state.

Mr. Boland said there are still bridge improvements, narrow bridge replacements and shoulder improvements that are needed in the region.

Mr. Boland does not support a sales tax increase because a current tax increase has been earmarked already for the Rt. 36 construction that helped four-lane the highway across the state.

Mr. Boland also stated his opposition for using highway funds for local beautification projects.

Tom Oakley, Tri-State Development Council, testified that he believes the additional signage along Rt. 36 entitled "C-KC" (Chicago-Kansas City Expressway) will help increase economic development between Illinois and across Missouri into Kansas City.

Mr. Oakley stated the improvements along Rt. 61 (Avenue of the Saints) between St. Louis and St. Paul, Minnesota are greatly appreciated, however, there are seven signalized intersections that need to be removed – all located in Hannibal. This would remove one large bottleneck along the corridor.

Mr. Oakley said that retired U.S. Senator Kit Bond, former MoDOT Director Pete Rahn, and Amendment 3 bonding program allowed great things to happen in Missouri over the last several years.

Rep. Ed Schieffer (D-Troy) testified that his legislative district has been the recipient of several MoDOT overpass projects which have resulted in increased economic development for the area. The Missouri Highways and Transportation Commission, the regional planning organization and local city and county officials made the projects possible.

Rep. Schieffer reported that he recently conducted a survey of 1,000 voters in his district. 77 percent responded that they were opposed to tolling; 83 percent opposed a fuel tax increase; and 54 percent support a vote by the people of a sales tax increase up to 1 percent.

Rep. Schieffer suggested that the Blue Ribbon Committee look at license and fee increases for drivers' licenses and issuing more bonding as ways to generate funds for transportation.

Blue Ribbon Committee member John Nations, asked Rep. Schieffer what the legislature is willing to do to improve funding for transportation. Rep. Schieffer responded by stating any revenue package must go to the voters for approval. The Representative said it would be too difficult to take limited general revenues and dedicate them for transportation purposes because it is a balancing act and it would require taking money away from other general funded programs.

Michelle Schlenther, City of Warrenton, testified that tolling I-70 could mean a loss of residents and jobs for the community. "There must be a better solution than tolling." Ms. Schlenther supports either a general sales tax increase for transportation purpose or a proposal that would toll ALL interstates and not just I-70 – this would treat the traveling public equal.

Harriet Beard, Highway 63 Transportation Corporation, testified on the success the KOCH Industries project had for 4-laning Hwy. 63 between Columbia and Kirksville. The funding came from a regional one-half cent sales tax that went into effect in 2002 and expires in 2013. The tax was recently extended by a vote of the local voters for 7 years to build an alternate route around Kirksville.

Ms. Beard said that once people understand what they will get for a tax increase they are likely to support a revenue package.

Now there is a need to continue the 4-laning of Hwy. 63 between Kirksville and the Iowa state line. By doing so, Hwy. 63 could be 4-laned from Jefferson City to Des Moine, Iowa. Ms. Beard introduced a delegation of Hwy. 63 supporters from Iowa to the Blue Ribbon Committee members.

Ms. Beard also testified on behalf of Dr. Jack Magruder, A.T. Stillwell University who was unable to attend the public meeting. Ms. Beard again expressed the vital importance for completing the 4-laning of Hwy. 63 between Kirksville and the Iowa state line.

Dick Rupp, Hannibal Transportation Commission, testified that all modes of transportation must be considered when seeking additional funding.

Mr. Rupp said that only so much can be done with traffic congestion and that Hannibal is in need for a bypass.

Mr. Rupp said that when businesses look to locate to another area they ask two questions: what is the condition of the states 4-lane highway system and does the area have airport service? The Hannibal airport runway needs to be extended by 600 feet.

Mr. Rupp said the region supports passenger rail service between Hannibal and Quincy and Chicago, Illinois.

"There is no easy solution to obtain additional revenues for transportation," testified Mr. Rupp. "Other commissions have met and done nothing – how much longer will it take to get something done such as a gas or fuel tax increase?" An educational effort must be undertaken with legislative support.

Russell Runge, Mexico Economic Development, testified there is a need to 4-lane Hwy. 54 between Mexico and Louisiana.

Steve Hobbs, Audrain County Commissioner, testified that it will be difficult to pass a revenue package because so many elected officials have taken a "No New Tax" pledge.

Mr. Hobbs suggested that the Blue Ribbon Committee come up with a list of projects and go through the initiative petition process; however, a consensus of what the committee will support is necessary.

Mr. Hobbs said you can't count on the Missouri General Assembly to assist because they only operate in a crisis mode.

Ryan Poston, Montgomery County Commission, stated that the Montgomery Commission opposes tolling I-70; however, they are willing to help pass a one-cent sales tax, with a reduction in the fuel tax of one-cent.

Denise Bennett, Macon County Economic Development, testified how appreciative the local community was when MoDOT helped established an innovation center to help grow jobs and the local economy resulting from MoDOT closing the Macon district office.

Ms. Bennett said transportation is vital to the local economy and her association supports a one-half cent fuel tax increase and a one-half general sales tax increase.

Kerry Klump, Troy Chamber of Commerce, testified that along Hwy. 61 and Hwy. 47 there are narrow bridges and there is a need to eliminate a number of crossovers and needed shoulder improvements are necessary along the two heavily traveled corridors.

To generate revenues for transportation purposes, Mr. Klump told the Blue Ribbon Committee to exercise caution before they give back any lettered route roads to counties and the cities. Instead, the committee should consider raising drivers' license fees.

The Troy Chamber of Commerce is opposed to increasing the state sales tax rate because it could place them at a competitive disadvantage with other surrounding political subdivisions.

Eddie Bogue, City of Palmyra Police Department, testified that safety must be considered for all transportation projects in terms of reducing fatalities. Education, Engineering and Enforcement are the three "Es" supported by the Coalition for Roadway Safety. Officer Bogue said that guard cables saved 99 lives across the state the first year the cables were placed in use.

Officer Bogue said improvements are needed in Palmyra to reduce crossover accidents.

In terms of funding options, Officer Bogue suggested to the Blue Ribbon Committee that they look at increasing court costs as a possible revenue stream or pass a primary safety belt law because there is a one-time federal incentive the state is passing up by not implementing a primary law.

Rusty Rothweiler, Sydenstricker Implement, provided the committee with an overview on how farm equipment and implements have increased in size and weight since the 1970's. Mr. Rothweiler said the size of farm equipment is only limited by the size of a bridge and road widths.

Jeff LaGarce, City of Hannibal, said that a bypass around the city is needed and that the city is supportive and will pursue passenger rail service between Hannibal, to Quincy and Chicago, Illinois.

Mr. LaGarce said increasing the state sales tax rate could be a problem for Hannibal, but could be good for other local cities.

JoAnne Smiley, City of Clarksville, testified the city has a riverfront, business park and walking trails – which are all important to the area. Hwy. 79 is the life line to the area. The Mississippi River is good for transporting goods, creating jobs, providing services and recreation. Adequate docking is needed for recreational purposes.

Ms. Smiley would like to see passenger rail for the city.

Loren Graham, City of Palmyra, testified the city has two overpasses – one on the north side of town and one on the south side of town – both are undesirable for accommodating the needs of the city. Hwy. 61 divides the city from its industrial park making cross over accidents a real problem.

Mr. Graham is lukewarm on the idea of increasing the state sales tax rate for transportation purposes because cities use sales tax monies as their primary source of revenues.

Dale Bagley, US 36 TDD, gave the Blue Ribbon Committee an overview of what took place when local communities along Rt. 36 worked together to pass a one-half cent sales tax to 4-lane the highway across the state. Mr. Bagley said because of the highway improvement economic development opportunities have increased, however, crossovers still need to be eliminated in some places along the roadway to reduce traffic accidents.

Kristen Burkemper, Lincoln County Services Port Authority, testified that the funding "pie" needs to be bigger for all modes of transportation; "Raising the tax base is important." A sales tax increase is not supported by Lincoln County. Ms. Burkemper said Missouri is not taking full advantage of the Mississippi River.

Nate Walker, Hwy. 63 Coalition, testified while he was disappointed that MoDOT closed the Macon District office, he is still a supporter of helping improve roads and bridges.

Mr. Walker said MoDOT has a good reputation and image that are both needed to pass a revenue package; these two important items need to be accompanied with a list of projects that will be built with additional funding.

Mr. Walker supports a one-cent sales tax increase with bipartisan support.

Jackie Schlage, individual, supports increasing bike paths for bicyclists. To accommodate bicyclists, additional shoulders need to be built, existing shoulders cleared from debris and rumble stripes shorter in length to maneuver around when riding your bike on shoulders. "When you build bike and walking paths, people will come."

David Stoke, Show-Me Institute, expressed to the Blue Ribbon Committee the importance of investing in transportation infrastructure.

Mr. Stokes said the Show-Me Institute is supportive of private investments for transportation purposes, such as tolling – which is a true user fee.

Mr. Stokes said public private partnerships are viable funding option for infrastructure.

Dan Martin and Royce Kallerud, Forest Lake Area Trail System, provided an overview of the 4-mile bike trail currently being planned and built in Kirksville. This project has been made possible as a partnership between the Department of Natural Resources, the city and surrounding local governments. Mr. Kallerud said he would like MoDOT to participate in the project to learn the importance of biking and how it can help reduce congestion on Missouri's roads.

Jan Olernick, Warrenton Chamber of Commerce, testified that the Chamber is opposed to tolling I-70 because 45 percent of its population uses I-70 to travel elsewhere for employment. Instead, Ms. Olernick supports a statewide fuel tax or sales tax.

Murray Bruer, Mayor of Truesdale, testified that he opposes tolling because drivers would look for other lesser traveled roads to use in order to avoid paying a toll. Mr. Bruer supports a gas or fee increase for transportation.

William Smith, Industrial Development Council – Lewis County, testified that MoDOT's decision to close maintenance sheds, reduce employees and reduce equipment has upset employees and will result in poor future service to the general public. Mr. Smith said the lack of brush cutting is going to negatively impact safety and the selling of MoDOT facilities (i.e. salt domes being sold at "basement prices.")

Mr. Smith said secondary routes are being torn up by tractor trailer rigs and larger and heavier agricultural equipment. "Missouri can't afford to abandon rural routes."

Mr. Smith suggested to the Blue Ribbon Committee that they consider supporting several different funding options for transportation.

John Worland, individual and a member of the Missouri Bicycle Federation, testified there must be attention given to increasing funding for bicycle improvements.

Mike Winter, Missouri Public Transit Association, testified that public transportation plays a large role throughout the state of Missouri. Last year, 78 million persons utilized urban and rural transit systems.

Missouri lags behind other states in terms of providing transit funding. For every one dollar invested in public transportation generates a four dollar return in economic growth.

Mr. Winter would like for the Blue Ribbon Committee to make sure transit is part of a total transportation package.

Ron Hane, Child Evangelism Fellowship, testified in opposition to tolling I-70.

Dan Hampson, Warrenton County Commission, testified that tolling I-70 will result in a loss of tax revenues because drivers will avoid traveling through Missouri. Mr. Hampson supports a one-half cent sales tax increase.

The next meeting for the Blue Ribbon Citizens Committee is scheduled for August 6, at the Gamber Center, in Lee's Summit, at 10:00 a.m.

The meeting was adjourned.